UNITE HERE Local 25 and Hotel Association Of Washington, D.C.
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DRAFT

MINUTES OF THE MEETING
OF THE BOARD OF TRUSTEES OF
UNITE HERE LOCAL 25 AND HOTEL ASSOCIATION OF WASHINGTON, D.C.
GROUP LEGAL SERVICES FUND
HELD ON OCTOBER 18, 2012
WASHINGTON, D.C.

The following Trustees were present:

UNION TRUSTEES	EMPLOYER TRUSTEES
John Boardman - Chairman	Solomon Keene - Secretary-Treasurer
Stephanie Steer	Joel Manion
	Stuart Damon

Also present were:

Anne Mayerson - Bredhoff & Kaiser, PLLC
Fredric Singerman - Seyfarth Shaw, LLP
Tyler Geiman - Novak | Francella, LLC
Ellen Odell - Calibre CPA Group, PLLC
Justin Sargeant - Calibre CPA Group, PLLC
Anne-Marie Sims - Associated Administrators, LLC
Karen Walsh - Associated Administrators, LLC

I. CALL TO ORDER.

A quorum being present, Chairman Boardman called the meeting to order.

II. MINUTES

A. Board Meeting, July 19, 2012

Ms. Sims reported that she had received no further comments on the draft of the subject minutes which had been circulated prior to this meeting.

On Motion made and seconded, the Trustees approved the following resolution:

> **RESOLVED that the minutes of the Board meeting held July 19, 2012 are approved.**

B. Finance and Collections Committee Meeting, August 16, 2012

Ms. Sims reported that she had received no further comments on the draft of the subject minutes which had been circulated prior to this meeting.

On Motion made and seconded, the Trustees approved the following resolution:

> **RESOLVED that the minutes of the Finance and Collections Committee meeting held August 16, 2012 are approved.**

III. INVOICES

Ms. Sims presented a list of invoices dated October 18, 2012. It was noted that there were no additions, deletions or changes to the list.

On Motion made and seconded, the Trustees approved the following resolution:

> **RESOLVED that the invoices set forth in the list dated October 18, 2012 are approved for payment.**

IV. PAYROLL AUDITOR REPORT

Ms. Ellen Odell and Mr. Justin Sargeant of Calibre CPA Group, PLLC ("Calibre") distributed copies of the "Legal Fund Compliance Audit Program Status Report for the period from June 28, 2012 through October 8, 2012," and reviewed the report in detail. A copy of the report is attached to and made a part of these minutes as Exhibit A.

Ms. Odell reported that Calibre recently completed the payroll audit of the Capitol Skyline Hotel. She said the employer omitted hours and failed to report employees in covered job classifications. The employer has disputed the interest calculation and the findings that summer help should be reportable to the Fund. Additionally, she noted that the employer's general ledger indicated that it used Temps of D.C. and Foodstaff Temp agencies. This was brought to the attention of the General Manager and Comptroller, and Ms. Odell requested detailed invoices for the period January 1, 2009 through December 31, 2012. Ms. Odell said that Calibre has requested these invoices on numerous occasions via email and telephone and still has not received them. She requested that the Fund assist Calibre in obtaining these documents. The Trustees discussed this matter and Counsel requested that Ms. Odell provide additional information on this issue, specifically which records were requested, deadlines for the requests and an explanation of why the employer is not providing the documents.

Ms. Odell reported that the L'Enfant Plaza Hotel was unwilling to send its original payroll records for the period January 1, 2008 through June 14, 2010 to Calibre's Washington, D.C. office and requested that the audit be performed at the Loews Hotel in New York where the records are kept. She explained that a new management group took over the L'Enfant Plaza Hotel on June 15, 2010. Ms. Odell said that in order for Calibre to conduct the audit in New York, additional audit fees of up to $1,000 would be charged. The Trustees approved conducting the audit in New York, charging the employer for the additional audit fees, and ending the audit period on the date that the new management took over (June 14, 2010) rather than on December 31, 2011 as previously scheduled, so as to avoid having to essentially conduct two audits for one audit period.
The Trustees thanked Ms. Odell and Mr. Sargeant for their presentation and they were excused from the balance of the meeting.

V. <u>PAYROLL AUDIT COLLECTIONS REPORT</u>

Ms. Sims referred to the Payroll Audit Collections Report dated August 4, 2012 included in the meeting book. A copy of the report is attached to and made a part of the minutes as Exhibit B. Ms. Sims reviewed the report which confirmed the results to date of the collection of payroll audit deficiencies after receipt of the audits from Calibre and before referral of unpaid billed deficiencies to the Fund's Collection Counsel.

VI. <u>COLLECTION COUNSEL REPORT</u>

Ms. Sims reported that Mr. Dan Katz and Ms. Ellen Ranzman were unable to attend the meeting, but that there were no collection matters requiring Board action.

VII. <u>PROVIDER REPORT</u>

<u>Third Quarter 2012 Utilization Report</u>

Ms. Sims reviewed the Third Quarter 2012 Utilization Report as provided by Mr. Paul Regan of Regan Associates, Chartered contained in the meeting booklet. A copy of subject report is attached to and made a part of these minutes as Exhibit C.

VIII. <u>ADMINISTRATIVE MANAGER'S REPORT</u>

A. <u>Second Quarter 2012</u>

Ms. Sims presented and reviewed the Second Quarter 2012 Administrative Manager's Report, a copy of which is attached to and made a part of these minutes as Exhibit D.

B. <u>Administrative Services Agreement - Renewal January 1, 2013 through 2015</u>

Ms. Sims presented Associated's renewal proposal for the years 2013, 2014 and 2015. The proposal requests increases in the monthly administrative services fee of 4% in 2013, 4% in 2014 and 4% in 2015. The Trustees called for an executive session with Co-Counsel and excused Ms. Sims and Ms. Walsh from the meeting. Following discussion, the Trustees tabled the request for further consideration until the next scheduled meeting.

IX. <u>OTHER FUND BUSINESS</u>

A. <u>Form 5500 for the Plan Year Ended December 31, 2010</u>

Ms. Sims reported the timely filing, under extension, of the Form 5500 for the Plan year ended December 31, 2011.

B. <u>Fiduciary Liability Policy Renewal</u>

Ms. Sims reported that the Fund's Fiduciary Liability Policy had been renewed for the period August 1, 2012 through August 1, 2014 and that all Trustees had paid their waiver of recourse premiums.

X. ADJOURNMENT

There being no further business, the meeting was adjourned.

Respectfully submitted,
Solomon Keene
Secretary-Treasurer

AMS/klw
(Orig. 10/29/12)

Attachments:
Exhibit A: Calibre CPA Group, PLLC: Compliance Audit Program Status Report for the period from June 28, 2012 through October 8, 2012
Exhibit B: Associated Administrators, LLC: Payroll Audit Collections Report dated October 4, 2012
Exhibit C: Regan Associates, Chartered: Third Quarter 2012 Utilization Report
Exhibit D: Associated Administrators, LLC: Administrative Manager Report, Second Quarter 2012